

EXHIBIT B

BORROWER'S AFFIDAVIT AND CERTIFICATION

The undersigned, _____, hereby states under oath that:

1. My Social Security Number is _____ and I am a purchaser and mortgagor of the Single Family Residence located at _____, Louisiana, and legally described as follows:

2. The residence is being purchased from _____ (the "Seller") pursuant to an agreement dated _____, which represents the complete and total agreement between the Seller and me with respect to the sale of the residence. I intend to occupy such residence as my principal residence, and not as a vacation or second home, no later than sixty (60) days after the date of closing of the Mortgage Loan.

3. The residence contains less than five (5) units, all of which will be owned by me, and if more than one (1) unit, the structure was first occupied as a residence at least five years prior to the date of this Affidavit. If the residence was funded under the HOME/MRB Program, the residence contains only one (1) unit.

4. Except for the rental of the second, third or fourth units in a two to four unit residence described in Paragraph 3, I will use no more than 15% of the total area of the residence for commercial use; provided that I may lease my residence for a period of one year or less; and provided further that I will not fail to occupy my residence for a continuous period of more than one year if, by doing so, an interest deduction on the Mortgage Loan under the 1986 Internal Revenue Code would not be allowable. Commercial use means:

- a. Use on a regular basis for (i) storage of inventory for use in a trade or business for which the residence is the sole fixed location, or (ii) providing day care services, or
- b. Exclusive use on a regular basis as the principal place of business for any other trade or business.

5. I do not intend to:

- a. Rent the unit I occupy as my principal residence to any other person(s).

- b. Sell, assign, or transfer the property at any time within the foreseeable future to any other person (except for rental of units in a two-unit property described in Section 3) or subdivide the property in any way even if allowed by local law; or
- c. Move the residence.

6. The land on which the home is located, and which will be financed by the Mortgage Loan.

- a. Is no more than is needed to maintain the basic livability of the residence.
- b. Will not provide me with more than an incidental source of income.

7. Except with respect to a Qualified Rehabilitation Loan, no part of the mortgage loan proceeds is or will be used to acquire or replace an existing mortgage, and I did not have a mortgage (whether or not paid off) on said residence, including the land appurtenant to said residence, at any time prior to the execution of the mortgage (except that I may have a construction period loan or temporary initial financing of 24 months or less with respect to the residence and may use the proceeds of the mortgage to repay such financing).

8. The Acquisition Cost (calculated in accordance with the Acquisition Cost Worksheet attached hereto as Exhibit B(1)) of the residence is \$_____ or less.

I understand that for the purpose of the foregoing the Acquisition Cost of the residence is the costs of acquiring the residence from the seller as a completed residential unit. The Acquisition Cost includes:

- (a) All amounts paid, either in cash or in kind, by the purchaser (or a related party or for the benefit of the purchaser) to the seller (or a related party or for the benefit of the seller) as consideration for the residence.
- (b) If a residence is incomplete, the reasonable cost of completing the residence whether or not the cost of completing construction is to be financed with proceeds of the mortgage loan.
- (c) (Delete if not applicable.) Where a residence is purchased subject to a ground rent, the capitalized value of the ground rent, using a discount rate equal to the yield on the Bonds, which may be obtained from the Louisiana Housing Finance Agency ("Agency").

The Acquisition Cost does not include:

- (x) The usual and reasonable settlement or financing costs. Settlement costs include titling and transfer costs, title insurance, survey fees, or other similar costs. Financing costs include credit reference fees, legal fees, appraisal expenses, "points" which are paid by the purchaser (but not the seller, even though borne by the purchaser through a higher purchase price) or other costs of financing the residence.
- (y) The value of services performed by any purchaser's family in completing the residence. For purposes of the preceding sentence, the family of an individual includes only the individual's brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants.
- (z) The costs of land which has been owned by any purchaser for at least two years prior to the date on which construction of the residence begins.

9. If the Mortgage Loan was funded under the HOME/MRB Program, I have had no ownership interest in the residence within the prior three (3) years. Otherwise, the residence (delete whichever is inapplicable) is, is not, located in a targeted area. I (delete whichever is inapplicable) have not, have, had a present ownership interest in a principal residence of mine at any time during the three-year period prior to the date on which I am executing the mortgage on said residence, and to the best of my knowledge, the same is true with respect to each other person (if any) purchasing and mortgaging said residence with me.

I understand that for the purposes of the foregoing, examples of interests which constitute present ownership interest (and thus would result in me not meeting such requirements) are the following: (i) A fee simple interest; (ii) A joint tenancy, a tenancy in common or tenancy by the entirety; (iii) The interest of a tenant-shareholder in a cooperative; (iv) A life estate; (v) A land contract (i.e., a contract pursuant to which possession and the benefits and burdens of ownership are transferred although a legal title is not transferred until some later time); and (vi) An interest held in trust for the mortgagor (whether or not created by the mortgagor) that would constitute a present ownership interest if held directly by the mortgagor.

Examples of interests which do not constitute present ownership interests (and thus would not result in me failing to meet the requirements) are the following: (i) A remainder interest; (ii) A lease with or without an option to purchase; (iii) A mere expectancy to inherit an interest in a principal residence; (iv) The interest that a purchaser of a residence acquires on the execution of a purchase contract; and (v) An interest in other than a principal residence during the previous three years.

10. I will not permit any person to assume my obligations under the Mortgage (and related Mortgage Note) unless such person purchasing my home meets the necessary qualifications established by Agency and is approved by the Agency. In general, those requirements are that:

- (a) the purchaser intends to occupy the residence as a principal residence within 60 days after the assumption;
- (b) the purchaser had no present ownership interest in a principal residence at any time during the three-year period prior to the date on which the mortgage is assumed (unless the Single Family Residence is located in a Targeted Area or the Agency specifically waives this requirement);
- (c) the purchase price of the residence paid by the purchaser does not exceed the applicable limits set by Agency for previously occupied residences in accordance with federal guidelines; and
- (d) the purchaser has a Family Income which does not exceed the applicable limits set by Agency in accordance with federal guidelines.

11. I have furnished to lender copies of my signed Federal Income Tax Returns for the three previous years (for non-targeted area residences) or the most recent tax return (for targeted area residences); for the years _____ I did not and was not required to file such a return in accordance with Section 6012 of the Internal Revenue Code.

12. I understand that in certain circumstances the outstanding principal amount of my Mortgage Loan, and any prepayment penalty with respect thereto, may be forgiven and cancelled, and, of so, the amount so forgiven may be treated as income to me at that time for federal income tax purposes.

13. I hereby certify that my Annualized Monthly Income of \$ _____ was computed in accordance with Section 143 of the 1986 Internal Revenue Code and on the Mortgage Income Eligibility Worksheet attached as Exhibit B(2) and that my Family Income not exceed the Applicable Median Family Income of _____ Parish (where the residence is located) of \$ _____.

14. I hereby certify that _____ individual(s) (including myself) constitute(s) the total number of individuals in my family living in the Single Family Residence.

15. If the Mortgage Loan was funded under the HOME/MRB Program and if the residence was built prior to 1978, I have been given a 10-day period to conduct a risk assessment or inspection for the presence of lead based paint or lead hazards before I executed the purchase contract.

Dated: _____

Purchaser

Purchaser

STATE OF LOUISIANA

PARISH OF _____

On this _____ day of _____, before me, a Notary Public within and for said Parish and State, personally appeared _____, to me known to be the person(s) described in and who, being by me first duly sworn, executed the foregoing Mortgagor Affidavit and Certification, and acknowledged, deposed and said that he/she/they executed the same as his/her/their free act and deed and states that the information and certifications contained therein are true and correct.

Notary Public

My commission expires: